

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;
Nanci E. Langley, Vice Chairman;
Mark Acton; and
Robert G. Taub

Pace Post Office
Pace, Mississippi

Docket No. A2012-50

ORDER AFFIRMING DETERMINATION

(Issued February 15, 2012)

I. INTRODUCTION

On December 15, 2011, the Postal Service advised the Commission that it “will delay the closing or consolidation of any Post Office until May 15, 2012”.¹ The Postal Service further indicated that it “will proceed with the discontinuance process for any Post Office in which a Final Determination was already posted as of December 12, 2011, including all pending appeals.” *Id.* It stated that the only “Post Offices” subject to closing prior to May 16, 2012 are those that were not in operation on, and for which a Final Determination was posted as of, December 12, 2011. *Id.* It affirmed that it “will not close or consolidate any other Post Office prior to May 16, 2012.” *Id.* at 2. Lastly,

¹ United States Postal Service Notice of Status of the Moratorium on Post Office Discontinuance Actions, December 15, 2011, at 1 (Notice).

the Postal Service requested the Commission “to continue adjudicating appeals as provided in the 120-day decisional schedule for each proceeding.” *Id.*

The Postal Service’s Notice outlines the parameters of its newly announced discontinuance policy. Pursuant to the Postal Service’s request, the Commission will fulfill its appellate responsibilities under 39 U.S.C. § 404(d)(5).

On November 3, 2011, Mayor Robert LeFlore, Sr. (Petitioner LeFlore) filed a petition with the Commission seeking review of the Postal Service’s Final Determination to close the Pace, Mississippi post office (Pace post office).² Additional petitions for review were received from Curtissia Allen, Town Clerk (Petitioner Allen),³ 11 individuals whose petitions were consolidated in a single docket entry and who are referred to herein as the Concerned Citizens of Pace.⁴

The Final Determination to close the Pace post office is affirmed.⁵

II. PROCEDURAL HISTORY

On November 18, 2011, the Commission established Docket No. A2012 -50 to consider the appeal, designated a Public Representative, and directed the Postal Service to file its Administrative Record and any responsive pleadings.⁶

² Petition for Review received from Robert LeFlore, Sr., Mayor, regarding the Town of Pace, MS Post Office 38764, November 3, 2011 (LeFlore Petition).

³ Petition for Review received from Curtissia W. Allen, Town Clerk of Pace, MS, regarding the Pace, MS Post Office 38764, November 7, 2011 (Allen Petition).

⁴ Petition for Review received from the Town of Pace, MS, regarding the Pace, MS Post Office 38764, November 10, 2011 (Town of Pace Petition).

⁵ The Commission is divided equally, 2-2, on the outcome of this appeal. In the absence of a majority, the Final Determination stands.

⁶ Order No. 979, Notice and Order Accepting Appeal and Establishing Procedural Schedule, November 18, 2011.

On November 18, 2011, the Postal Service filed the Administrative Record with the Commission.⁷ On December 2, 2011, the Postal Service filed a corrected Administrative Record, which included items inadvertently omitted from the original version that was previously filed.⁶ The Postal Service also filed comments requesting that the Commission affirm its Final Determination.⁸

Petitioners LeFlore and Allen filed a joint initial brief supporting their respective petitions.⁹ On January 26, 2012, the Public Representative also filed comments.⁹

III. BACKGROUND

The Pace post office provides retail postal services and service to 201 post office box customers. Final Determination at 2. No delivery customers are served through this post office. *Id.* The Pace post office, an EAS-11 level facility, provides retail service from 7:30 a.m. to 12:00 p.m. and 1:00 p.m. to 4:15 p.m., Monday through Friday, and 7:30 a.m. to 10:00 a.m. on Saturday. Lobby access hours are 7:30 a.m. to 4:30 p.m., Monday through Friday and 7:30 a.m. to 9:30 a.m. on Saturday. *Id.*

The postmaster position became vacant on December 28, 2010, when the Pace postmaster retired. A non-career officer-in-charge (OIC) was installed to operate the post office. Retail transactions average 76 transactions daily (96 minutes of retail workload). Post office receipts for the last 3 years were \$27,554 in FY 2008; \$24,425 in FY 2009; and \$22,099 in FY 2010. *Id.* There are no permit or postage meter

⁷ United States Postal Service Notice of Filing the Administrative Record, November 18, 2011.

⁶ United States Postal Service Notice of Filing Corrected Administrative Record-[Errata], December 2, 2011. The corrected version of the record (Administrative Record) includes, as Item No. 47, the Final Determination to Close the Pace, MS Post Office and Establish Service by Rural Route Service (Final Determination).

⁷ Comments of United States Postal Service, January 19, 2012 (Postal Service Comments). The Postal Service filed an erratum that corrected and explained two minor clerical errors contained in its comments. United States Postal Service Notice of Filing Erratum to Comments in Docket No. A2012-50, January 20, 2012,

⁹ Initial Brief of Petitioners Robert LeFlore, Sr. and Curtissa W. Allen, January 17, 2012 (Petitioners' Initial Brief).

¹⁰ Public Representative Comments, January 26 2012 (PR Comments).

customers. *Id.* By closing this post office, the Postal Service anticipates savings of \$52,479 annually. *Id.*

After the closure, retail services will be provided by the Cleveland post office located approximately 9 miles away.¹⁰ Delivery service will be provided by rural route service through the Cleveland post office. *Id.* The Cleveland post office is an EAS-20 level office, with retail hours of 9:00 a.m. to 5:00 p.m., Monday through Friday, and 9:45 a.m. to 11:45 a.m. on Saturday. One hundred forty (140) post office boxes are available. Retail service is also available at the Beulah post office located approximately 7 miles away.¹¹ The Beulah post office is an EAS-11 level office, with retail hours of 7:00 a.m. to 3:45 p.m., Monday through Friday, and 8:00 a.m. to 10:00 a.m. on Saturday. *Id.* Twenty-seven (27) post office boxes are available. *Id.* The Postal Service will continue to use the Pace name and ZIP Code. *Id.* at 4, Concern No. 4.

IV. PARTICIPANT PLEADINGS

Petitioners. Petitioners oppose the closure of the Pace post office. Petitioners express concerns regarding the loss of the Pace post office. Petitioners' Initial Brief at 5; Town of Pace Petition at 1-2. They note that the post office has serviced the Pace community for a long time, and its closure will have an impact on race relations. Petitioners' Initial Brief at 6. In addition, customers raise concerns about the inconvenience placed on the elderly and disabled and the difficulty many will face with the added travel to the Cleveland post office. Concerned Citizens' Petitions at 1. Further, Petitioners address concerns regarding the accountability and security of their mail. Petitioners' Initial Brief at 9; see *generally* Concerned Citizens' Petitions.

¹⁰ *Id.* at 2. MapQuest estimates the driving distance between the Pace and Cleveland post offices to be approximately 9.7 miles (15 minutes driving time).

¹¹ *Id.* at 2. MapQuest estimates the driving distance between the Pace and Beulah post offices to be approximately 8.1 miles (11 minutes driving time).

In addition, Petitioners argue that the estimated economic savings are inaccurate and that the Postal Service failed to consider the cost of the additional travel to the Cleveland post office, extra expenses that will be placed on Pace customers, and the effect on Pace businesses. Petitioners' Initial Brief at 7; Town of Pace Petition at 1. Petitioners have put forth alternatives to the closure of the Pace post office. Concerned Citizens' Petitions at 16.

Postal Service. The Postal Service argues that the Commission should affirm its determination to close the Pace post office. Postal Service Comments at 19. The Postal Service believes the appeal raises four main issues: (1) the effect on postal services; (2) the impact on the Pace community; (3) the economic savings expected to result from discontinuing the Pace post office; and (4) the effect on employees. See *generally* Postal Service Comments. The Postal Service asserts that it has given these and other statutory issues serious consideration and concludes that the determination to discontinue the Pace post office should be affirmed. *Id.* at 19.

The Postal Service explains that its decision to close the Pace post office was based on several factors, including:

- the postmaster vacancy;
- a minimal workload and low office revenue;
- a variety of other delivery and retail options (including the convenience of rural delivery and retail service);
- minimal impact on the community; and
- expected financial savings.

Id. at 3-17. The Postal Service contends that it will continue to provide regular and effective postal services to the Pace community when the Final Determination is implemented. *Id.*

The Postal Service also asserts that it has followed all statutorily required procedures and has addressed the concerns raised by Petitioners regarding the effect

on postal services, the effect on the Pace community, economic savings, and the effect on postal employees. *Id.*

Public Representative. The Public Representative concludes that the Postal Service has not adequately considered the statutory requirements of 39 U.S.C. § 404(d) and should be remanded for further consideration. PR Reply Comments at 3-4. The Public Representative questions the Postal Service's assertion that Petitioners did not raise arguments concerning (1) the added cost customers will face as a result of the closing of the Pace post office; and (2) the alternative to the closure to reduce the post office hours. *Id.* She contends that the Administrative Record is unclear as to the comments raised during the proposal posting period and is unable to verify the Postal Service's claims that the above-mentioned arguments were not raised prior to the filing of Petitioners' Initial Brief. *Id.* Furthermore, the Public Representative asserts that the estimated economic savings of the Postal Service are likely inflated. *Id.* at 3.

V. COMMISSION ANALYSIS

The Commission's authority to review post office closings is provided by 39 U.S.C. § 404(d)(5). That section requires the Commission to review the Postal Service's determination to close or consolidate a post office on the basis of the record that was before the Postal Service. The Commission is empowered by section 404(d)(5) to set aside any determination, findings, and conclusions that it finds to be (a) arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with the law; (b) without observance of procedure required by law; or (c) unsupported by substantial evidence in the record. Should the Commission set aside any such determination, findings, or conclusions, it may remand the entire matter to the Postal Service for further consideration. Section 404(d)(5) does not, however, authorize the Commission to modify the Postal Service's determination by substituting its judgment for that of the Postal Service.

A. Notice to Customers

Section 404(d)(1) requires that, prior to making a determination to close any post office, the Postal Service must provide notice of its intent to close. Notice must be given 60 days before the proposed closure date to ensure that patrons have an opportunity to present their views regarding the closing. The Postal Service may not take any action to close a post office until 60 days after its determination is made available to persons served by that post office. 39 U.S.C. § 404(d)(4). A decision to close a post office may be appealed within 30 days after the determination is made available to persons served by the post office. *Id.* § 404(d)(5).

The record indicates the Postal Service took the following steps in providing notice of its intent to close. On May 23, 2011, the Postal Service distributed questionnaires to customers regarding the possible change in service at the Pace post office. Final Determination at 2. A total of 225 questionnaires were distributed to delivery customers. Other questionnaires were made available at the retail counter. *Id.* A total of 56 questionnaires were returned. On June 8, 2011, the Postal Service held a community meeting at the Old Pace School Cafeteria to address customer concerns. Fifty (50) customers attended. *Id.*

The Postal Service posted the proposal to close the Pace post office with an invitation for comments at the Pace, Beulah, and Cleveland post offices from June 30, 2011 through August 31, 2011. *Id.* The Final Determination was posted at the same three post offices from October 4, 2011 through November 5, 2011. Administrative Record, Item No. 47.

The Postal Service has satisfied the notice requirements of 39 U.S.C. § 404(d).

B. Other Statutory Considerations

In making a determination on whether or not to close a post office, the Postal Service must consider the following factors: the effect on the community; the effect on postal employees; whether a maximum degree of effective and regular postal service will be provided; and the economic savings to the Postal Service. 39 U.S.C.

§ 404(d)(2)(A). The Postal Service must also comply with the provisions of 39 U.S.C. § 101(b), which prohibits closing any small post office solely for operating at a deficit.

Effect on the community. Pace, Mississippi is an incorporated community located in Bolivar County, Mississippi. Administrative Record, Item No. 47. The community is administered politically by the Town of Pace. *Id.* Police protection is provided by the Pace Local Police Department. Fire protection is provided by the Pace Volunteer Fire Department. The community is comprised of predominately the self-employed, farmers, retirees, and those who work in local businesses or commute to work in nearby communities. *Id.* Residents may travel to nearby communities for other supplies and services. See *generally* Administrative Record, Item No. 22 (returned customer questionnaires and Postal Service response letters).

As a general matter, the Postal Service solicits input from the community by distributing questionnaires to customers and holding a community meeting. The Postal Service met with members of the Pace community and solicited input from the community with questionnaires. In response to the Postal Service's proposal to close the Pace post office, customers raised concerns regarding the effect of the closure on the community. Their concerns and the Postal Service's responses are summarized in the Final Determination. Final Determination at 4.

Petitioners express strong support for the role that the Pace post office plays in the community. LeFlore Petition at 1-2; Allen Petition at 1. In that connection, they contend that the Pace post office serves the adjacent communities of Symonds and Malvina, not just the town of Pace. Petitioners' Initial Brief at 5. Petitioners allege that the Postal Service failed to consider the effect of the Pace post office closing on these adjoining communities. *Id.* The Postal Service argues that members of these other communities commented on the proposal to close the Pace post office and that by virtue of its consideration of these comments, the Postal Service did in fact consider opinions regarding impacts on other nearby communities. Postal Service Comments at 7-8.

Petitioners argue that the closure of the Pace post office will have grave effects on race relations. Petitioners' Initial Brief at 6. Moreover, they contend that the post office is a meeting place for members of the community that binds the residents together. *Id.* The Postal Service contends that it has been a leader in providing opportunities to all races, but the considerations of a postal discontinuance are race neutral. Postal Service Comments at 9. In addition, the Postal Service notes that customers of the Pace post office will be provided an opportunity to interact at the other nearby post offices (Cleveland and Beulah post offices) located approximately 10 miles away. *Id.*; Final Determination at 2.

Petitioners assert that the closure of the Pace post office will have a negative effect on businesses, ultimately causing the businesses to relocate. Petitioners' Initial Brief at 12. Petitioners raise concerns regarding businesses having a secure place to receive mail or those who may receive medications through the Postal Service. *Id.* at 7. Further, the Postal Service argues that the effect on local businesses was taken into consideration. Postal Service Comments at 9. It explains that businesses were given the opportunity to voice their concerns during the proposal period, and all businesses will continue to receive regular and effective service through rural carriers. *Id.*

In its Final Determination, the Postal Service states that it understands that a community's identity is derived from the interest and vitality of its residents. Final Determination at 4, Concern No. 4. It explains that the community identity will be preserved through the continuing use of the Pace name and ZIP Code. *Id.*

The Postal Service has adequately considered the effect of the post office closing on the community as required by 39 U.S.C. § 404(d)(2)(A)(i).

Effect on employees. The Postal Service states that the Pace postmaster retired on December 28, 2010, and that an OIC has operated the Pace post office since then. *Id.* at 2. It asserts that the temporary OIC will either be reassigned or separated and that no other Postal Service employee will be adversely affected. *Id.*

The Postal Service has considered the possible effects of the post office closing on the OIC and has satisfied its obligation to consider the effect of the closing on employees at the Pace post office as required by 39 U.S.C. § 404(d)(2)(A)(ii).

Effective and regular service. The Postal Service contends that it has considered the effect the closing will have on postal services provided to Pace customers. Postal Service Comments at 9. It asserts that customers of the closed Pace post office may obtain retail services at the Cleveland post office located 9 miles away. Final Determination at 2. Delivery service will be provided by rural route service through the Cleveland post office. *Id.*

The Pace post office box customers may obtain Post Office Box Service at the Cleveland post office, which has 140 boxes available. *Id.* Customers may also obtain Post Office Box Service at the Beulah post office, which has 27 boxes available. *Id.* The Final Determination indicates that the Pace post office has 201 post office box customers. Final Determination at 2. The Postal Service contends that the shortage of post office boxes is not problematic because customers choosing not to travel to nearby post offices will utilize rural delivery or, if the need arises, additional post office boxes will be made available at the nearby post offices. Postal Service Comments at 15.

Petitioners are concerned about the hardship senior citizens and the disabled will face with the added travel to the Cleveland post office. Allen Petition at 1; Concerned Citizens' Petitions at 1; Town of Pace Petition at 1. Further, Petitioner asserts that much of the community does not have access to computers to conduct postal transactions. LeFlore Petition at 1. The Postal Service explains that retail services will be available from the carrier for customers choosing not to travel to the Cleveland post office. Final Determination at 3. The Postal Service adds that it is not necessary to meet the carrier for service since most transactions do not require meeting the carrier at the mailbox. *Id.*

In addition, Petitioners raise concerns regarding the accountability and security of their mail. Allen Petition at 1; Petitioners' Initial Brief at 8-9; Town of Pace Petition at 1. Petitioners fear that their mailboxes will be vandalized by youth. Allen Petition at 1;

Petitioners' Initial Brief at 8-9; Town of Pace Petition at 1. The Postal Service explains that carriers will deliver mail through the slots of locked mailboxes, and that mail can only be removed by those who have key access. Postal Service Comments at 11. The Commission concludes that the Postal Service has considered issues raised by customers concerning effective and regular service as required by 39 U.S.C. § 404(d)(2)(A)(iii).

Economic savings. The Postal Service estimates total annual savings of \$52,479. Final Determination at 5. It derives this figure by summing the following costs: postmaster salary and benefits (\$44,279) and annual lease costs (\$8,200), minus the cost of replacement service (\$0). *Id.*

Petitioners argue that the estimated economic savings are inaccurate. Town of Pace Petition at 1. First, Petitioners contend that the Postal Service did not take into consideration the additional cost customers will face with fuel and transportation costs to the Cleveland post office and the cost to erect a home mailbox for rural route delivery. Petitioners' Initial Brief at 7-9. The Postal Service contends that concern regarding customer borne cost was not raised prior to this appeal, and customers may not raise issues for the first time on appeal.¹¹ Postal Service Comments at 6. In any event, the Postal Service asserts that it is mindful of the impact a closure may have on the community, and attempts to mitigate a negative impact. *Id.* Finally, the Postal Service acknowledges that the cost to erect a mailbox is real, but argues that it is minimal and one that millions of customers face throughout the nation. *Id.* at 12.

Petitioners also argue that the Postal Service estimated economic savings are likely inflated because they do not include an estimate of lost post office box rental revenues at the Pace post office and do not account for replacement services and the

¹¹ The Public Representative is unable to confirm that this argument was not made by patrons during the Postal Service's discontinuance proceedings. PR Reply Comments at 3. The Final Determination discusses concerns that it states "were received during the proposal posting period [from June 30, 2011 to August 31, 2011]." Final Determination at 2. Nevertheless, a Memo to the Record states that no comments were received during the comment period. Administrative Record, Item No. 38. at 1. It would appear that the Memo to the Record is incorrect. Accordingly, the possibility that Petitioners' arguments were made prior to appeal cannot be dismissed.

added workload that the nearby post offices will undertake. Petitioners' Initial Brief at 10. The Public Representative also challenges the estimated savings because of an alleged lack of record support for the absence of any estimated costs for replacement service. PR Reply Comments 3.

The Postal Service acknowledges that “[i]n this case, postal officials utilized the “soon-to-be-outdated method of calculating the economic savings” and that their calculation of savings does not address the costs of replacement service, possible changes in post office box fee payments, or any of the items that are considered under a new methodology that was the subject of testimony in Docket No. N2011-1, Retail Access Optimization Initiative, 2011. Postal Service Comments at 15-16. The Postal Service nevertheless contends that personnel and existing resources are able to absorb the additional workload, that any calculation of the cost of replacement service would be speculative until customers make actual service choices, and that the Postal Service’s calculation of savings “allows but one conclusion about its sign (positive) and magnitude (tens of thousands of dollars annually).” *Id.* at 13, 16.

Lastly, Petitioners suggest that the Pace post office operate on reduced hours instead of closing. Concerned Citizens’ Petitions at 8, 16. The Postal Service contends that the alternative is reasonable, but was not considered in making the determination to close the Pace post office because it was not raised during the discontinuance study.¹² Postal Service Comments at 7. In any event, the Postal Service considers this proposal, like other points made by the opponents of closing the Pace post office, to be nothing more than a disagreement with postal management’s decision to close the post office. *Id.* at 5.

The Postal Service has satisfied the requirement that it consider economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv).

¹² The Public Representative again questions whether the Administrative Record is adequate to confirm that this argument was not made during the discontinuance proceedings given the absence from the Administrative Record of the comments referred to by the Final Determination. PR Reply Comments at 3.

Section 101(b). Section 101(b) prohibits closing any small post office solely for operating at a deficit. Petitioners allege that the Postal Service is closing the Pace post office solely for economic reasons. Petitioners' Initial Brief at 14.

To be sure, economics plays a role in the Postal Service's decision. However, the Commission is not prepared to conclude that the Postal Service's determination violates section 101(b). In addition to considering workload at the Pace post office (revenues declining and averaging only 76 retail transactions per day), the Postal Service took into account other factors such as the postmaster vacancy, the minimal impact on the community, and expected financial savings. In addition, it considered the alternate delivery and retail options available to customers. Final Determination at 3.

The Postal Service did not violate the prohibition in section 101(b) on closing the Pace post office solely for operating at a deficit.

VI. CONCLUSION

The Postal Service has adequately considered the requirements of 39 U.S.C. § 404(d). Accordingly, the Postal Service's determination to close the Pace post office is affirmed.

It is ordered:

The Postal Service's determination to close the Pace, Mississippi post office is affirmed.¹³

By the Commission.

Shoshana M. Grove
Secretary

¹³ See footnote 5, *supra*.

DISSENTING OPINION OF CHAIRMAN GOLDWAY

The Administrative Record is inaccurate with regard to economic savings. As such, the Postal Service has not adequately considered economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv).

The Postal Service argues that savings should be calculated based on a full-time postmaster's salary. Yet the Pace post office has been operated by a non-career officer-in-charge (OIC) since the former postmaster retired on December 28, 2010. On the one hand, the Postal Service argues that the effect on employees of this closing will be minimal because only a non-career OIC will be eliminated; yet on the other hand, it argues that the savings should be calculated using a full-time postmaster position.

The Postal Service already claims billions of dollars in savings from reducing labor costs. I believe the savings from substituting OICs in postmaster positions throughout the nation have already been included in those billions. There are inherent and blatant contradictions in the Administrative Record that must be corrected on remand.

The community in its filings sought a more accurate assessment of the costs of replacement service, including, among other things, added work hours at the receiving facility and the anticipated loss in retail revenue from the closing facility. Such costs are legitimate and should be included in Postal Service economic estimates. The fact that the Postal Service cannot identify the replacement costs until after the post office is closed and replacement systems are in place indicates that the Service is making arbitrary decisions and not proceeding with plans based on an optimization analysis.

It is not the statutory responsibility of the Commission to correct the Administrative Record for the Postal Service and certainly not to make its own surmise about what and/or whether there would be savings if accurate data were in the Administrative Record. Therefore, the decision to close should be remanded to the Postal Service to correct the Administrative Record and present a more considered evaluation of potential savings.

Furthermore, the Petitioners identify a special relationship with two neighboring communities (Malvina and Symonds) whose residents use the Pace post office because they lack their own office. The Postal Service in its Administrative Record does not indicate the impact of the loss of the Pace post office on those neighboring communities, and did not identify the number of post office box holders who reside in those communities. This point is persuasive. The affected community does not disappear upon reaching an invisible incorporation line – it extends to all who rely on services provided by the post office. The set of customers who regularly rely upon post office boxes is a good indicator of the extent of the community served, and the Administrative Record provides no guidance on how many box customers live in the neighboring communities. The Administrative Record should address the entire served community. The Postal Service has not adequately considered the effect on the community as required by 39 U.S.C. § 404(d)(2)(A)(i).

The Postal Service asserts that the community never raised a suggestion to trim hours of service as an alternative to closing the office entirely during the phase in which the Service collected community comments in response to the proposal. As a result, the Service argues that it was thus not required to evaluate cutting hours as an alternative. Nevertheless while Administrative Record Item No. 38 states that no comments were received during the time the proposal was posted, the Final

Determination provides a “summary” of additional concerns received during the proposal’s posting period. (Public Representative Comments at 2-3). Because the Administrative Record is inconsistent, it cannot be reasonably relied upon to indicate the lack of such a straightforward community suggestion in the early phases of the evaluation.

The Postal Service recently announced a moratorium on post office closings. It is confusing and perhaps unfair to require some citizens whose post offices have received a discontinuance notice as of December 12, 2011 to gather evidence and pursue an appeal to the Commission, while others whose post offices were in the review process, but had not yet received a discontinuance notice by December 12, 2011, have the respite of a 5-month moratorium and the opportunity to have further consideration of alternatives by the Postal Service.

The citizens of Pace, Mississippi and their concerns regarding the loss of a neighborhood post office should be afforded the same opportunity to be heard and considered as the citizens of the approximately 3,700 post offices fully covered by the moratorium.

Ruth Y. Goldway

DISSENTING OPINION OF VICE CHAIRMAN LANGLEY

The Postal Service did not adequately consider the economic savings as required by 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service should take into consideration that a non-career postmaster relief (PMR) has been in charge of this facility since December 2010, not an EAS-11 postmaster, and reflect the PMR's salary and benefits in its cost savings analysis. As a government entity, the Postal Service should ensure that its cost/benefit analysis accurately identifies capturable cost savings and does not overstate savings.

In addition, the Public Representative questions the estimated economic savings given that there is no additional costs for the alternative replacement service. Public Representative Reply Comments at 3. The Postal Service states that “[w]ith respect to replacement service for customers of the Pace Post Office, any calculation would be speculative at this time. Once customers make actual choices [of a post office box or rural delivery], calculations are at least enabled.” Postal Service Comments at 16. In the majority of the appeals that have come before the Commission, the Postal Service has included an estimated cost for the replacement service intended to reflect how many additional delivery points and miles will be added to the carrier's route. While not definitive, the estimate is an important component in calculating net economic savings. The Postal Service should adjust the economic savings to reflect the cost of replacement service, which surely must be greater than \$0.

Furthermore, the Administrative Record indicates that along with the proposed administrative post office (approximately 9 miles away), retail services may also be obtained from another post office approximately 8 miles away from the Pace post office. Final Determination at 2. This alternate post office, Beulah post office, is being considered for discontinuance under the Retail Access Optimization Initiative (RAOI).

The Postal Service should include within its discontinuance process a mechanism to ensure that due consideration is given to the impact on the community of the receiving administrative post office immediately being reviewed for discontinuance.

I find that the Administrative Record evidence does not support the Postal Service's decision to discontinue operations at the Pace post office and should be remanded.

Nanci E. Langley